European Commission - Questions and answers





Questions and answers: European Commission endorses Slovakia's recovery and resilience plan

Brussels, 21 June 2021

How did the Commission assess Slovakia's recovery and resilience plan?

The Commission is assessing the recovery and resilience plans based on eleven criteria set out in the Recovery and Resilience Facility (RRF) Regulation. The 11 criteria require an assessment of whether:

- the measures have a lasting impact;
- the measures address the challenges identified in the country specific recommendations or a significant subset of it;
- the milestones and targets which allow for monitoring the progress with the reforms and investments are clear and realistic;
- the plans meet the 37% climate expenditure target and the 20% digital expenditure target;
- the plans respect the do no significant harm principle;
- the plans provide an adequate control and audit mechanism and set out the plausibility of the costing information.

The Commission has summarised its assessment in the proposal for the Council Implementing Decision. The accompanying staff-working document provides detailed documentation on the assessment.

Does Slovakia's recovery and resilience plan effectively support the green transition?

The Slovak plan's contribution to the green transition amounts to 43% of its total allocation of €6.3 billion. This exceeds the minimum of 37% required by the RRF Regulation.

Planned investments in renewable energy capacity combined with a set of reforms to facilitate access to the grid of clean energy sources, which is necessary for Slovakia to achieve its 2030 renewables target. A wide programme of building renovations will decrease their impact on greenhouse gas emissions and improve air quality. A distinct set of measures is designed to support the decarbonisation of industry. In transport, a comprehensive package of reforms and investments will target electro-mobility and public transportation. The plan also includes reforms and investments aimed at sustainable landscape, forest and water management.

Does Slovakia's recovery and resilience plan effectively contribute to the digital transition?

The Slovak plan's contribution to the digital transition amounts to 21% of its total allocation of \in 6.3 billion. This exceeds the minimum of 20% required by the RRF Regulation.

The plan places a strong emphasis on the digitalisation of the public sector, both as part of sectoral reforms (justice, police, healthcare) as well as through horizontal measures aimed at increasing quality and accessibility of e-government solutions. A reform of the governance model for the digital economy, together with investments in digital technologies and the digital capacity of companies, in particular SMEs, should help the development of the digital ecosystem. The development of digital skills is one of the objectives of the proposed education reforms and of the investment in skills of teachers, seniors and disadvantaged groups.

Does the recovery and resilience plan represent a balanced response to Slovakia's economic and social situation?

The Slovak plan represents a comprehensive and adequately balanced response to Slovakia's economic and social situation, thereby contributing appropriately to all six pillars referred to in the RRF Regulation. The plan puts forward a balanced set of reforms and investments addressing both

the consequences of the COVID-19 pandemic and the main socio-economic and environmental challenges affecting Slovakia.

The plan presents well-targeted policy actions relevant for smart, sustainable and inclusive growth. Innovation potential and productivity growth will be boosted through measures to improve the research, development and innovation ecosystem, business environment, and the quality and relevance of higher education. Small and medium-sized enterprises should benefit from the strong impulse triggered by the investments supported by the plan as well as from the targeted assistance to innovate and digitalise. The plan identifies the right socio-economic challenges for social and territorial cohesion, and includes relevant actions to address them. It aims particularly at strengthening the inclusion in education of children with special educational needs and children from disadvantaged socio-economic backgrounds, including the Roma population.

Cohesion concerns and regional disparities are addressed through the ambitious reform of hospital care, investments in education, as well as through digitalisation measures for public administration. The plan will improve health and economic, social and institutional resilience. In the area of healthcare, the plan presents a comprehensive set of reforms and investments aimed at improving the resilience, efficiency, accessibility and quality of the Slovak healthcare system. The investments primarily focus on hospital care, long-term care, mental health and primary care.

Investments in early warning systems and infrastructure are expected to improve crisis response capacity. The pension reform will make Slovakia less vulnerable to sustainability risks. Policies for the next generation are in particular covered by the comprehensive package of measures aiming at improving education at all levels, from early childhood education and care to higher education.

Do the reforms presented by Slovakia effectively address a significant part of the country-specific recommendations issued to it in the context of the European Semester?

The Commission considers that Slovakia's plan includes an extensive set of mutually reinforcing reforms and investments that contribute to effectively addressing all or a significant subset of the economic and social challenges outlined in the country-specific recommendations addressed to Slovakia by the Council in the European Semester in 2019 and in 2020. It includes measures on inclusive education, public governance and productivity-enhancing investment, to support the green and digital transition, as well as in decreasing regional divergences.

Long-standing challenges in the area of education, childcare, health care, as well as research, development and innovation are also addressed by the plan with comprehensive measures that are expected to tackle serious shortcomings. These include issues such as the low quality and inclusiveness of education, fragmented research, development and innovation policy coordination, insufficient public-private cooperation, and weak research, development and innovation performance. Additional measures proposed in the plan aim to improve the justice system, public procurement and the fight against money laundering and have the potential to contribute to effectively address many underlying challenges experienced by Slovakia. Several reforms are expected to improve the long-term sustainability of public finances.

For More Information

Press release: European Commission endorses Slovakia's recovery and resilience plan

Recovery and Resilience Facility: Questions and Answers

Factsheet on Slovakia's recovery and resilience plan

<u>Proposal for a Council Implementing Decision on the approval of the assessment of the recovery and resilience plan for Slovakia</u>

Annex to the Proposal for a Council Implementing Decision on the approval of the assessment of the recovery and resilience plan for Slovakia

Staff-working document accompanying the proposal for a Council Implementing Decision

Recovery and Resilience Facility

Recovery and Resilience Facility Regulation

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